

# TENNESSEE REGULATORY AUTHORITY



**FOR IMMEDIATE RELEASE**

**March 29, 2000**

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## **TRA CONCLUDES SLAMMING INVESTIGATIONS WITH SETTLEMENTS**

**NASHVILLE** - Two settlement agreements were concluded recently between the Tennessee Regulatory Authority (TRA) and two telecommunications companies alleged to have improperly switched the long-distance service providers of Tennessee consumers – the practice commonly referred to as slamming.

Excel Communications and America's Tele-Network Corporation (ATN) have agreed to pay the TRA the amounts of \$200,000 and \$56,000, respectively, to settle consumer complaints that these companies engaged in the practice of telephone slamming.

"We are pleased with the outcome of the settlement agreements and hope that it sends the message that Tennessee has a zero tolerance for slamming" says TRA Chief of Consumer Services, Eddie Roberson.

The settlement agreements approved by the TRA require both companies to provide written notification to all Tennessee customers with instructions on how to obtain a full refund of all charges, if their service was switched without prior consent. Additionally, the agreements call for both companies to implement a number of operational reforms to ensure that slamming activities do not resurface within their respective operations.

ATN, for instance, has agreed to voluntarily stop telemarketing in Tennessee *if* their operational improvements fail to eliminate future slamming complaints in the state. The company has also agreed to provide periodic activity reports to the TRA over the next 12 months for monitoring purposes.

Excel has agreed to the use of an independent third party verifier on all new residential change orders. The company has also agreed to hire an independent auditor to verify compliance with certain requirements of the settlement agreement. The auditor will report its findings to the TRA within 6 months after the settlement agreement has been approved.

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The Federal Communications Commission (FCC) has reported that, nationally, telephone slamming is one of their top consumer complaints.

In Tennessee, recent legislation by the General Assembly to strengthen the state's slamming laws, as well as vigorous enforcement by the TRA, have resulted in a decrease in the number of slamming complaints statewide.

In 1998, the TRA received 570 slamming complaints compared to 459 in 1999. A number still too high, explains Roberson, "A welcomed decrease, but we still have work to do."

Nearly 100 consumer complaints were documented against the two companies during the yearlong TRA investigation.

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